**LEOLA CITY COUNCIL MEETING**

**August 5, 2019**

**The Leola City Council met in the Council Room of the Municipal Building in regular session on Monday, August 5th, 2019. Mayor Thomas Theisen called the meeting to order at 7:30 P.M. with the following Council Members present, Gayle Seibel, Lindsey Bollinger, Richard Reis and Michael Yost, along with the Finance Officer Kappes. Absent: Tim Collins and Jackie Rau. Also, present were Attorney Vaughn Beck, Steve Seibel and Neil Geffre.**

**Council Member M. Yost moved, with a second by Council Member L. Bollinger, to approve the Minutes of the July Meeting. All present Council Members voted in favor. Motion carried.**

**Council Member L. Bollinger moved, with a second by Council Member M. Yost, to accept the Monthly Treasurer’s Report. All present Council Members voted in favor. Motion carried.**

**The Council examined the bills:**

**Maintenance Salaried Payroll** **August Salary Streets & Park Fund Salary, Matches & Benefits 3,178.49**

**Maintenance Salaried Payroll August Water & Sewer Fund Salary, Matches & Benefits 3,237.93**

**Finance Office Salaried Payroll August Finance Office Salary, Matches & Benefits 3,841.12**

**Library Payroll July-Librarians & Fill-in Hours 762.27**

**Office Department Payroll July Hours- D. Weiszhaar 965.62**

**Gov’t Bldg. Payroll-Janitor July Janitor Hours-Zulma Velazquez 965.62**

**Council Payroll July Hours-C & M Citizen’s Food Boxes Pay-P. Walz 19.59**

**Zoning Payroll-Reis July-Building Permits, etc. 43.06**

**Lifeguard Payroll June/July-Lifeguard-Pool Preparation & Hours 5,514.69**

**West Nile Spraying Payroll July Hours to Spray Mosquitos - J. Tschappat 104.82**

**Agtegra Cooperation Miscellaneous Parts & Repairs 123.18**

**Ameripride Linen & Uniform Services Paper Service, Mops, Deodorizers, etc. 45.37**

**Beck Law Office Attorney Fees 407.75**

**Blue Tarp Semi-Trash Pump 516.98**

**Curt’s Repair Parts & Labor on Mowers & Braces for Picnic Tables 249.11**

**Cutler, Shawn, Water Deposit Refund After use 62.00**

**Dependable Sanitation Inc. City Regular Garbage Collection 91.00**

**Farmer’s Union Oil company Propane 833.03**

**Farmer’s Union Oil company LP Accessories, Labor & Service on 1000 Tank Installation 773.90**

**Gene’s Oil Company July Gas & Diesel 498.27**

**Hawkins, Inc. Pool-Chlorinated Beach, Sensor, Cable, Supplies & Freight 976.40**

**Heier’s Body & Repair Shop LLC Towing Service Miles Dollie & Miles-2 Vehicles 470.00**

**Homestead Building Supply Supplies & Materials 19.76**

**J. Gross Equipment, Inc. Mower Drive Belt & PTO 60.47**

**J & R Plumbing, Heating and AC LLC Washed Out Heat Pump Unit & Clear Ceiling Tiles from Air Vents 225.00**

**Kappes, Candice Mileage to FEMA Meeting in Bowdle & Postage Reimbursement 174.29**

**Leola Public Library Reimbursement for DVDs, Books, Subscriptions 286.88**

**McPherson County Herald Publishing –Mayor & Council 204.90**

**Menards Cleaning Supplies 68.73**

**Montana-Dakota Utilities July Electricity 2,791.18**

**Olson, Dennis “Mike” Code Enforcement Officer Services & Expenses Over Contract 732.00**

**Readi Tech-DRN Labor on Computers-Lib 23.70**

**Rural Development 88th Loan Payment-Sewer Project 4,021.00**

**Seed Solutions Water Deposit minus Water use 65.00**

**Seibel, Gayle Pierre to Meetings & Expense 168.50**

**Share Corporation Black Trash Bags 349.55**

**South Dakota Department of Revenue Sales Tax & Tourism 222.61**

**South Dakota One Call 2nd Quarter Locates 23.10**

**South Dakota Public Health Laboratory July Coliform Water Testing 15.00**

**Ten – 45 Grocery Cleaning Supplies -Govt Bldgs. 22.90**

**Titan Machinery/Productivity Plus Account Grasshopper Mower Supplies & Parts 250.42**

**Valley Telecommunications Phones, Faxing & Internet 438.77**

**Walz, Pam DVD & Book Reimbursement 171.88**

**Walz, Pam Reimbursement-Mileage - Food Baskets 33.60**

**WEB Water July Water Use Minus 4-$25.00 WEB Credit Certificates 6,601.35**

**Westside Heating and AC LLC Propane at Pool 208.00**

**TABLED BILLS**

**Network Service Company or Heartland Soap, Sanitizer, Toilet Paper, Coronet 2ply Facial & Other Products 396.14**

**WATER PROJECT BILLS TO BE APPROVED & PAID ONCE FUNDING IS RECEIVED**

**Dahme Construction Pay Estimate-Stored Materials & 5% Eligible to be Paid to Date on Project 94,672.76**

**Helms and Associates 90% Comp. Water System Bidding-$825 & Pump House Drawing & Contr. Change Order-$115 997.50**

**TOTAL WATER PROJECT ENGINEERING TO BE PAID ONCE FUNDING IS RECEIVED TOTAL 95,670.26**

**WATER PROJECT BILLS APPROVED & PAID ONCE FUNDING IS RECEIVED**

**Dahme Construction Pay Estimate-Stored Materials & 5% Eligible to be Paid to Date on Project 301,949.17**

**Helms & Associates As Per Project Engineering Agreement 1,830.90**

**TOTAL WATER PROJECT ENGINEERING TO BE PAID ONCE FUNDING IS RECEIVED TOTAL 303,780.07**

**$149,689.00 SRF FUNDING CAME IN FOR JULY - NO CDBG MONIES HAVE BEEN RECEIVED IN JULY**

**WATER PROJECT BILLS APPROVED & PAID WITH LOAN FUNDING RECEIVED**

**Meierhenry Sargent LLP Bond Counsel Services 18,910.00**

**Helms & Associates 50% Bidding Complete 2,750.00**

**Helms & Associates 100% Contract Complete 166,500.00**

**Helms & Associates 75% Bidding Complete 1,375.00**

**Helms & Associates As Per Project Engineering Agreement 1,342.50**

**TOTAL WATER PROJECT PAID AFTER FUNDING WAS RECEIVED TOTAL $190,877.50**

**City Reimbursed Bid Publishing in the amount of $110.25 for publishing & Attorney Project Legal Fees $1,243.50**

**TOTAL WATER PROJECT SRF FUNDING RECEIVED TO DATE $192,231.25**

**Innovation Grant Monies yet to be spent by the Steering Committee 1,600.00**

**The Council discussed the quotes requested to be reviewed from five companies relating to mat ownership versus continuing to pay rental fees via Ameripride. After discussion, Council Member Seibel moved, with a second by Council Member Reis to approve the above bills, except to table the bill for the Network Services Company-Heartland for $396.14 until the September Meeting, to pay Helm’s Associates $997.50 and to pay estimate to Dahme Construction for $94,672.76** **once funding is received. All present Council Members voted in favor. Motion carried.**

**McPherson County Deputy Sheriff Allie Hilgemann presented the Council with the Monthly County Law Enforcement Report.**

**The Council discussed the letter sent to Mayor Theisen from Beck Law Office outlining rules and procedures relating**

**to the different offices within the City of Leola, executive session, ordering, and government organizational structure as well as the recommended point-of-contacts and communication channels for day-to-day operations. The Council discussed the rules and procedures and Finance Officer Kappes informed them even though Ordinance 1-1-1 stated appointed positions, she was hired as the Finance Officer and not appointed, but that Yost and Tschappat were hired and subsequently appointed the titles of Maintenance Supervisor (Yost) and Water & Sewer Superintendent (Tschappat) and that the Mayor appoints the Council Committees, Zoning Board and Credit Board, with everyone listed in**

**the first meeting in May. The Council discussed that prior Leola Mayors met with city employees daily to discuss tasks and also being available for Council Members and employees during regular hours. The Finance Officer and Maintenance Supervisor will work under the direction of the Mayor and City Council. Direction by City Council is through City Council actions at meetings. Outside of council meeting times, the Mayor is the point-of-contact and source of direction. As established, the City Council is not to direct or delegate work, rather, they should reach out to the Mayor so that a channel of communication can be established and direction can be given to city employees accordingly. As needed, the Mayor can discuss the matter with city employees and reach out to City Council members for collaboration and follow-up as well as determine if a matter needs to be discussed with Council prior to the next Council Meeting. Council Member Jackie Rau joined the meeting at 8:40P.M. Attorney Vaughn Beck was asked to stay.**

**At 8:40, Lucas Hoover joined the meeting to discuss the Pump House Bids opened on July 10th as follows: Premier**

**Construction LLC of $271695.00, AB Contracting LLC of $339,050.00, KHC Construction Inc of $356,290.00, Dahme**

**Construction Co. Inc $376,104.30 with an Engineering estimate of $260,070.00, with all bids being more than expected.**

**Option of the City Maintenance installing the meters and tracked in a force account was discussed. Weather and other unforeseen delays to the project were discussed. After discussion, Council Member Bollinger moved to award the contract bid for the Pump House to Premier**

**Contracting, LLC in the amount of $271,695.00. Council Member Seibel seconded the motion. All present Council**

**Members voted in favor. Motion carried. Mayor Theisen signed the bid award.**

**Council Member Bollinger moved, with a second by Council Member Seibel, to approve the August pay estimate in**

**The amount of $94,672.76. All present Council Members voted in favor. Motion carried. Mayor Theisen signed the**

**Helm’s & Associates bill and all copies of the Dahme’s pay estimate.**

**The Council moved the discussion of items under the Steering Committee and the seven applications received for the**

**Finance Officer’s position until later, due to people waiting.**

**Finance Officer Kappes informed the Council, Jeff Tschappat submitted in writing a letter to DENR about the inspection report and the unacceptable compliance matters at the Restricted Use Site before the deadline. An additional inspection was held today and that Tschappat is planning to attend the meeting later and could discuss the Restricted Use Site inspection held today with the Council.**

**The FEMA Meeting held in Bowdle was discussed, and that there were problems with our password letting us into the site. Kappes informed the Council in speaking with the FEMA Reps we were encouraged to not only submit the manhours, the loader rental but also the cost to repair the loader, the issue with the City Loader still needing to be fixed was discussed.**

**The issue of the City’s loader breakdown and repair progress was discussed and reviewed. In reviewing meeting minutes from May of this year, Chase Martin had approximately 4 hours of labor into working on the loader. When asked, he would not set a timeline to repair the loader, could not provide a quote and/or estimate for the total cost of repairs and stated that parts were being sent to and repaired in Fargo, ND as well as Aberdeen, SD. The parts sent off for repair were picked up since that time and Martin was notified, but the loader repairs have yet to be completed. Martin still has possession of some City loader parts as well. Council Member Rau was the primary point-of-contact with Martin prior to Mayor Theisen making contact to establish expectations moving forward as well as a timeline for the completion of repairs. Due to the length of time and lack of communication by Martin, Mayor Theisen recommended to the Council that a letter be drafted and sent through Attorney Vaughn Beck to Martin with a completion date of 08/15/19 to fix the loader as well as a deadline date of 08/16/19 to return the City parts if he is unable/unwilling to complete the previously agreed upon repair work.**

**Council Member Seibel contacted MDU and discussed the estimate to put in an extra power line off the junction box for $300.00 to get additional power to the street by putting in an electrical pedestal. She also updated the Council on the substation and discussed the old substation by Highway 10 & 45.**

**The Council discussed the old semi trash pump motor, Council Member Reis moved, with a seconded by Council Member L. Bollinger, to surplus the motor and accept bids.**

**Council Member Rau moved with a second by Council Member Seibel to approve the software from SDI Complete in the amount for $1,495.00 and yearly support of $350.00, which works with QuickBooks. All present Council Members voted in favor. Motion carried.**

**Finance Officer Kappes spoke to the council about requests for their money back from some campers at the park as they couldn’t stay in their campers as not enough power for all the campers staying. Council felt with the cost only being $10.00 a day no refunds should be given. The Council discussed estimates on the electricity at the Park and it was decided Tschappat to get quotes from more than one electrician for power to the pavilion, refeed electrical hook ups and to the water building.**

**The Pool Report and the Monthly Library Report was examined by the Council.**

**Finance Officer Kappes informed the Council she received a letter from WEB Water that they are again increasing their water rates effective October 1st as WEB has done the last few years. It was decided to discuss this at the September Meeting once the increase to us is figured.**

**Mike Waltman and Trevor Zantow, representing the Golf Association, informed the Council the Toro Mower broke down, but that they were getting by with the help of City Maintenance. The possibility of purchasing off bids or leasing a tractor to share with the city was discussed. Mayor Theisen stated that he had met with other city governments and made the recommendation that the City review lease-to-own options in relation to city equipment (mowers, loaders, etc.) as a means to provide our city maintenance employees with more up-to-date and labor efficient equipment that is covered under warranty for repair and maintenance work, which will virtually eliminate equipment down-time as well as maintenance and repair costs. With Mike and Trevor in agreement, it was decided that the appropriate Committee will meet with the Golf Association on lease-to-own options, tractor/mower/loader options, then discuss findings at the next Council meeting. In the meantime, City maintenance will continue to assist with the mowing out at the golf course.**

**Jeremy Kallenberger addressed the Council, Attorney Vaughn Beck and Mike Olson, Code Enforcement Officer concerning the letter sent on the property of 704 Lundquist he uses for his business with Friday, August 9th as the date to abate. He was told all the cars had to be moved inside of the fence and trees and the fence needed to be up as agreed to be up by May 1st and that Olson was to come Monday, August 12th to start abatement. They also discussed the list of other properties with the August 9th abatement date, along with the vehicles that had already been towed in the city.**

**Jeff Tschappat joined the meeting.**

**Kallenberger also spoke to the Council about his property on 825 Leola avenue and stated a neighbor was buying it and had plans to tear down the house. The property at 709 Conklin Street was discussed and that Kallenberger never received a letter this spring with an abatement date concerning the property. Kallenberger told the Council the Sheriff had papers and they legally couldn’t do anything with the building. It was requested that Kallenberger supply the city with a copy of this documentation as well as organize the construction materials and remove all debris and personal items scattered throughout the property so as to be in compliance with established city ordinances. Continuing, Kallenberger was informed that the fence needs to be put back up around the house, so no one falls in the standing water in the basement.**

**The Council discussed the G’s property, with Neil Geffre on his abatement letter. He updated the Council on what he has done and it was agreed he would license those vehicles he owned, and was given 60 days for the three vehicles that were there for business debt and he spoke with Attorney Vaughn Beck about paperwork for him to get titles of ownership so these vehicles with debt can be licensed. He was told he would have a year for the vehicle he just acquired with business debt.**

**The Council discussed the possibility of 452 Grant being demolished as well as other properties on the abatement list with the August 9th Compliance date scheduled for abatement on or after August 12th, 2019. The Council asked Olson to send the letters certified or have the properties served by law enforcement so there was no question whether a letter was received. Kallenberger property must comply or the property will be abated. Follow-up site visits are scheduled on the Nuisance properties for September 4th with further action up to and including abatement scheduled to commence on or after September 9th, 2019.**

**Sarah Knoepfle came before the Council to discuss the Kallenberger properties, the conversation and what was decided, and she was informed of the abatement on 704 Lundquist August 9th, which would be checked August 12th, would stand, and the Council was not going repeat the already discussed business items.**

**The Council discussed that the ordered meters by Winwater have started to arrive and that a training day will be needed before installation can begin.**

**Finance Officer Kappes informed the Council, Farmers Union Oil had been here and dug in the propane line to their rented 1000 propane tank, but the generator still needed to be serviced before the Citizen Center was ready to be used as an emergency shelter. Council Member L. Bollinger moved, with a second by Council Member Rau, to surplus the unused 1962 propane tank holding approximately 150 gallons of propane and have it accessed by three property owners and receive bids. All present Council Members voted in favor. Motion carried.**

**The Council discussed the updating of the 2013-14 McPherson County Pre-Disaster Mitigation Plan done with Jordan Hintz, NECOG on July 10th following the bid opening. Finance Officer Kappes informed the Council that one of the items on the mitigation plan was to prepare the basement of the Citizen’s Center to be used as a storm shelter.**

**As requested by the Council, Mayor Theisen presented quotations for two vacuums, a Tennant V-SMU-14 single motor commercial vacuum for $259.01 as well as a Tennant V-DMU-14 dual motor commercial vacuum for $388.98 so that the Council could decide on a needed vacuum cleaner acquisition to replace the old one that was/is no longer functional. The Council had previously approved an amount of $250.00 dollars for the purchase of a vacuum, so Council Member Rau moved to increase the $250.00 amount to purchase a new commercial vacuum by $9.01 and to purchase the V-SMU-14 single motor commercial vacuum for $259.01. Council Member L. Bollinger seconded the motion. All present Council Members voted in favor. Motion carried.**

**Finance Officer Kappes discussed problems with the City’s computer system, the locking up of the computer with the city’s utility program, and their inability of her and Deputy Weiszhaar to work in the shared file and lost work put in the files, evidence of someone being in her office and on her utility computer was discussed. The lights being turned off in the building and the past attempt of someone trying to get in the office in the past. The City’s IT person would be coming on Tuesday afternoon or Wednesday to review the current hardware and software as well as move the utility account over to quick books. The Council decided on purchasing covers to be installed over the light switches, so that the video monitoring system would remain effective at all times.**

**The Council decided to table the small Jacobson tractor until the September 4th Meeting.**

**July Building Permits Issued: Dawn Neussendorfer 19-12, Trevor VanTilberg 19-13, Allie Hilgemann 19-14, Seth Ketterling 19-15, and Maria Evans 19-16. Finance Officer Kappes presented the zoning ordinance revision for Title 14 pertaining the cost of renewing building permits changing fees to be charged when reissuing building permits of $30.00 for the first renewal, $100.00 for the second renewal and $500.00 for the third-year. Council Member Rau and Reis thought the ordinance revision was to be $30.00 for the permit and $100.00 for the first renewal and $500.00 for the second. It was decided to table consideration and first reading until the September 4th Council Meeting and Mayor Theisen will have Attorney Beck change the wording. Council Member Reis left the meeting at 11:30 P.M.**

**Finance Officer Kappes informed the Council she received a letter from SD Department of Legislative Audit authorizing Cahill Bauer & Associates, LLC, CPA’s to perform the City’s audit for the of 2018, which is scheduled to begin August 12th.**

**The Council discussed only approximately twelve cats were registered and very few of them were cats registered in the problem areas. The possibility of needing to trap the stray cats and get them to farm homes.**

**The Council discussed the Experience Works Program and Mayor Theisen has the information requested and will bring it to the September 4th Meeting.**

**Finance Officer Kappes discussed with the Council the unpaid taxes at year-end of $14,582.64 with $242,623.62 to be collected in 2019, 2020 consumer price index of 2.4% and growth of 2.56% with max property tax being $253,182.08, being an increase of $10,546.72, and presented them with the budget worksheet to be used prior to doing budget on Tuesday, August 13th at 7:30 P.M. but to bring them with them if taken.**

**Council Seibel spoke about the Elected official Training she attended and recommended the other to attend. The Election training will be September 19th in Fort Pierre, webinars to be watched, and the SDML Conference to be held in Aberdeen on October 8-11, 2019.**

**The Council received a letter concerning a non-functional culvert and the culvert will be checked.**

**Kappes informed the Council, we could go ahead with bidding the pool lining but specs were needed in order to bid the project. She spoke to NECOG and they only cover the grant applications but recommended contacting where the quote was received from for spec, draw up bids from it. Kappes had gotten a couple example specs from other cities, but the size of the pool and other pool information would be needed. The fact, Julie Johnson and the Steering Committee handled some of the information put into the grant application and the Steering Committee have received applications for Economic Development Director but will be conducting interviews. It was decided those on the Park, Recreation & Pool Committee will get together and draw up specs to bid the project.**

**The Wayfinding Signs were discussed along with cost of changing the posts and it was decided to check to see if the post could be sawed off.**

**The Notice of Hearing of upcoming changes to the operator’s certification was given to Jeff Tschappat.**

**The Council reviewed Finance Officer Kappes’ retirement letter wrote on July 1st and that she could no longer be the Finance Officer after September 30th as Retirement starts to pay out October 1st, 2019 and no longer contribute in to the retirement system. The Council reviewed the seven applications received for the position of Finance Officer. Council Member Rau moved, with a second by Council Member L. Bollinger, to enter executive session at 12:03 AM to discuss personal matters. All present Council Members voted in favor. Jeff Tschappat left the meeting. At 12:20 AM, Mayor Theisen declared the Council out of Executive Session. Council Member Seibel moved to interview the top four applications, and have a special meeting on Monday, August 12that 7:00 P.M. Council Member Rau seconded the motion. All present Council Members voted in favor. Motion carried.**

**There being no further business, Council Member L. Bollinger moved, with a second by Council Member**

**Rau, to adjourn. All present Council Member voted in favor. Motion carried.**

**The Mayor and City Council will meet in special session on Monday, August 12th at 7:00 P.M. to interview for the finance officer’s job position and Special Session on Tuesday August 13th at 7:30 P.M. to consider the 2020 Budget. The Council will meet in regular session at 7:30 P.M. on Wednesday, September 4th the Council Room of the Municipal Building due to Labor Day.**

**ATTEST:**

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**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Thomas W. Theisen, Mayor of Leola**

**Candice Kappes, Finance Officer**

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